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FOR IMMEDIATE RELEASE

AEP'S MOUNTAINEER PLANT TO BE SITE FOR RESEARCH PROJECT ON CLIMATE CHANGE TECHNOLOGY

NEW HAVEN, W.Va., November 21, 2002 — American Electric Power's (NYSE: AEP) Mountaineer Plant in New Haven, W.Va., will be the site for a \$4.2 million carbon sequestration research project funded by the U.S. Department of Energy (DOE) and a consortium of public and private sector participants. Scientists from Battelle will lead this climate change mitigation research project, which will also involve researchers from several other partnering organizations and universities.

Capturing and disposing of carbon dioxide produced by burning fossil fuels is one of a number of climate change mitigation technologies currently being studied by scientists worldwide. The goal is to reduce carbon dioxide and other emissions believed to contribute to global climate change.

"Our goal is to develop a suite of carbon management options that we know are safe, affordable, and effective. We want to have these options ready should the science tell us that large-scale carbon reductions are necessary in the future," Secretary of Energy Spencer Abraham said in announcing the new sequestration project today.

Mountaineer Plant was chosen as the test site for the project in part due to its location in the Ohio River Valley area, which is thought to be an ideal candidate for carbon capture and

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disposal because of the nature of the geology of the region. The Ohio River Valley also is home to many fossil fuel-fired electricity generation plants that power the U.S. economy. If the concept proves feasible, it could offer a way for many utilities and other industrial facilities located in Ohio, West Virginia and many other states in the country to reduce carbon emissions.

The Battelle study will determine whether the geology near the Mountaineer Plant is suitable for injection of carbon dioxide deep into the earth, where it will be absorbed and permanently captured. As part of this phase of the project, researchers will conduct a seismic study in a 5 to 10-mile radius of the plant to assess the geologic environment in the area. Then, a 10,000-foot well will be drilled on the plant property and tests will be conducted to determine the nature of the geologic formations in the area. The data from field tests will be used for simulations, risk assessment, permit applications and to design the monitoring plans for future steps in the effort, if the site proves to be geologically sound for potential carbon capture and disposal.

The study will last 18 months. No injection is planned as part of the current study and no decision will be made about possible next steps until the results of the study are carefully evaluated. Whether or not to proceed with carbon capture and storage will depend on a number of other technical, policy and economic factors in addition to what is learned about the suitability of the area geology. Battelle and AEP are committed to keeping the public fully informed about the results of the study and if a decision is made to proceed further will actively seek public input as they proceed.

"Climate change is an important issue for AEP and other energy companies who rely on fossil fuels to meet the vast majority of our nation's energy needs," said E. Linn Draper Jr., AEP's chairman, president and chief executive officer. "Continued development of renewable energy technologies is important, but the new technologies will not displace fossil fuels as the primary energy source in the foreseeable future. That's why it is important to develop climate change solutions for existing energy technologies. We're pleased to be working with Battelle on this carbon sequestration research project, since it has potential as a real-world climate change solution for today's technologies."

Carl F. Kohrt, Battelle president and chief executive officer, said, "The research project being announced today demonstrates that by working together, the public and private sectors can responsibly address climate change concerns and ensure a strong and vibrant economy.

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Battelle is proud to partner with leading environmentally progressive organizations such as AEP, the U.S. Department of Energy and our other partners to move innovative technologies like this off the shelf and into rigorous field testing.”

In addition to AEP, Battelle, and the DOE’s National Energy Technology Laboratory, other partners providing financial and in-kind support to the project include BP, the Ohio Coal Development Office of the Ohio Department of Development, and Schlumberger. Results of the study will lead to significant improvement in understanding the geology of the potential carbon dioxide injection zones in southeastern Ohio, as well as in the surrounding regions. Technical support to the project will be provided by experts from the National Energy Technology Laboratory, Pacific Northwest National Laboratory, West Virginia University, The Ohio Geological Survey, The Ohio State University and several other leading service providers.

American Electric Power, an energy company with a balanced portfolio of energy assets, owns and operates more than 42,000 megawatts of generating capacity in the United States and select international markets and is the largest electricity generator in the U.S. AEP is a leading wholesale marketer of energy commodities, utilizing its energy expertise and risk management skills to make optimal use of its generation, natural gas pipeline systems, natural gas storage, coal mines and inland barge fleet. AEP is also one of the largest electric utilities in the United States, with almost 5 million customers linked to AEP’s 11-state electricity transmission and distribution grid. The company is based in Columbus, Ohio.

Battelle develops new technologies, commercializes products, and provides solutions for industry and government ranging from pharmaceuticals and medical product development, to innovations for the automotive, chemical and agrochemical industries. Battelle develops environmental and energy solutions for industry and government, and generates practical, technological solutions for challenges in national security, transportation, and health and human services. Headquartered in Columbus, Ohio, Battelle has annual revenues of \$1 billion and more than 60 locations throughout the world.

News releases and other information about AEP and Battelle can be found on the World Wide Web at <http://www.aep.com> and <http://www.battelle.org>.

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